

News Release



Controller of the State of California - Kathleen Connell

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FOR IMMEDIATE RELEASE

STATE CONTROLLER CALLS GOVERNOR'S VETO OF ZERO-BASED BUDGETING BILL "TROUBLING"

Connell Questions Governor's Fiscal Priorities

SACRAMENTO, Sept. 25 -- State Controller Kathleen Connell blasted Governor Wilson's veto of Senate Bill 1753, the "zero-based budgeting bill" proposed by Connell. The bill had bipartisan sponsorship from Senators Thompson and Hurtt, and had passed unopposed in both the Assembly and Senate with votes of 68-0 and 39-0, respectively.

"What should have been a clear and undisputed victory for California taxpayers to make government work harder and cost less was killed by this puzzling and irresponsible veto," said Connell. "The governor moved with lightning-quick speed to halt food stamps which feed the poor, yet this veto serves up more hard earned tax dollars to feed the state bureaucracy."

Zero-based budgeting is a concept Connell has promoted since she ran for office in 1994. Several state and local governments, as well as most Fortune 500 businesses, use this budgeting method to control costs and increase accountability. SB 1753 would have required state agencies, for the first time, to be more efficient and accountable by forcing them to justify every tax dollar they propose spending -- starting from a "base" of zero. Currently, the state uses the previous year's spending as a "base" and adds to that amount. There is almost no accountability of where tax dollars were spent in the previous year or what taxpayers received for their money. Connell's bill would have reformed the system.

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Senators Mike Thompson (D-St. Helena) and Rob Hurtt (R-Garden Grove) co-authored the bill. Senator Thompson expressed his disappointment with the veto. Hurtt added, "We're committed to returning to this project in hopes of finding common ground with which to prevail."

Connell said, "This governor speaks in glowing terms about the concept of privatization. But no *private* company would tolerate budgets built on last year's excesses the way the state does. Zero-based budgeting is a common-sense approach that can help wring out waste and inefficiency in government, so we can redirect those resources to critical needs like education for children, law enforcement for communities, and infrastructure for business."

Connell questioned the motives behind the governor's veto. "It is exactly this type of out-of-touch action by politicians that cause taxpayers to lose faith in state government. It is a very rare day when a major bill receives the unwavering, bipartisan support this bill did. For the governor to ignore this crystal clear message from the people is troubling," she added.

SB 1753 was supported by Cal-Tax, the California Chamber of Commerce, the California Manufacturers Association, the Howard Jarvis Taxpayers Association, and many editorial boards throughout the state.

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